

Clay County

Estimated Economic Impact of Agriculture, Food, and Food Processing Sectors

6/11/2018

Using the most recent IMPLAN data available (2016) adjusted for 2018, 16 agriculture, food, and food processing sectors were analyzed to determine their overall contribution to the Clay County economy.¹

These 16 sectors have a total direct output of approximately **\$187.3 million** and support **634 jobs** in Clay County. Running the model for all 16 sectors simultaneously produces the following results:

Agriculture, Food, and Food Processing Sector Contribution to Overall Clay County Economy						
Impact Type ²	Employment	% Employment	Total Value Added ³	Total Value Added % of Gross Regional Product ⁴	Output ⁵	Output % of Gross Regional Product
Direct Effect	633.8	13.53%	\$43,818,846	16.56%	\$187,285,066	70.76%
Indirect Effect	232.4	4.96%	\$14,424,496	5.45%	\$30,797,252	11.64%
Induced Effect	118.9	2.54%	\$7,362,849	2.78%	\$13,823,689	5.22%
Total Effect	985.2	21.03%	\$65,606,191	24.79%	\$231,906,007	87.62%

As shown in the above table, agriculture, food, and food processing sectors support **985 jobs**, or **21.03%** of the entire workforce in the county. These sectors provide a total economic contribution of approximately **\$231.9 million**, roughly **87.62% of the economy**.

Another metric used to calculate the importance of sectors in an economy is their value added as a percentage of GRP. Total value added by the 16 agriculture, food, and food processing sectors is approximately **\$65.6 million**, or **24.79% of the GRP**. This indicates that personal income, business income, and taxes generated by these sectors account for **24.79% of the total economy**.

The following tables document the top industries affected by employment and output, as well as a listing of all industries that were analyzed.

¹ Article on building a contribution analysis in IMPLAN that avoids double counting:

http://www.implan.com/index.php?option=com_content&view=article&id=660%3A660&catid=253%3AKB33&Itemid=70

² Direct, indirect, and induced effects sum together to estimate the total economic contribution in the state. **Direct effects** capture the contribution from agricultural and food products. **Indirect effects** capture the economic benefit from farms and agricultural businesses purchasing inputs from supporting industries within the state. **Induced effects** capture the benefits created when employees of farms, agricultural businesses, and the supporting industries spend their wages on goods and services within the state.

³ Value added = labor income + indirect business taxes + other property type income.

⁴ GRP = final demand of households + governments expenditures + capital + exports - imports - institutional sales.

⁵ Output = intermediate inputs + value added.

In the top ten agriculture, food, and food processing sectors by employment, the beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming sector is the top employer with **253 employees**. This table also shows the amount of jobs that are created by the agriculture industry in Clay County.

Top Ten Agriculture, Food, and Food Processing Sectors by Employment		
Sector	Total Employment	Total Output
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	253.2	\$30,901,807
Grain farming	105.8	\$39,322,732
Wholesale trade	65.4	\$12,321,052
All other crop farming	61.8	\$4,695,735
Animal production, except cattle and poultry and eggs	48.7	\$5,789,916
Real estate	46.9	\$3,607,397
Oilseed farming	45.3	\$46,721,993
Other animal food manufacturing	32.3	\$42,043,957
Bread and bakery product, except frozen, manufacturing	26.4	\$3,486,127
Truck transportation	25.9	\$4,366,604

The oilseed farming sector directly contributes approximately **\$46.7 million** to the Clay County economy. The table below also shows the amount of revenue that is generated in other industries by having a strong agriculture industry.

Top Ten Agriculture, Food, and Food Processing Sectors by Output		
Sector	Total Employment	Total Output
Oilseed farming	45.3	\$46,721,993
Other animal food manufacturing	32.3	\$42,043,957
Grain farming	105.8	\$39,322,732
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	253.2	\$30,901,807
Wholesale trade	65.4	\$12,321,052
Farm machinery and equipment manufacturing	20.0	\$9,141,277
Animal production, except cattle and poultry and eggs	48.7	\$5,789,916
All other crop farming	61.8	\$4,695,735
Truck transportation	25.9	\$4,366,604
Real estate	46.9	\$3,607,397

Below is a summary of all agriculture data with employment levels and output level. These values can tell how many jobs are represented by each agriculture, food, and food processing sector and the output they contributed to the Clay County economy.

All Agriculture, Food, and Food Processing Sectors		
Sector	Total Employment	Total Output
Oilseed farming	45.3	\$46,721,993.27
Grain farming	105.8	\$39,322,731.67
Vegetable and melon farming	2.0	\$294,589.94
Greenhouse, nursery, and floriculture production	3.6	\$354,963.25
All other crop farming	61.8	\$4,695,735.06
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	253.2	\$30,901,807.31
Dairy cattle and milk production	6.4	\$1,967,094.39
Poultry and egg production	0.8	\$506,484.06
Animal production, except cattle and poultry and eggs	48.7	\$5,789,916.31
Commercial hunting and trapping	1.8	\$36,804.14
Other animal food manufacturing	32.3	\$42,043,957.32
Bread and bakery product, except frozen, manufacturing	26.4	\$3,486,126.63
Frozen cakes and other pastries manufacturing	0.5	\$70,651.16
Farm machinery and equipment manufacturing	20.0	\$9,141,277.11
Veterinary services	18.8	\$1,701,859.32
Landscape and horticultural services	6.5	\$249,075.40

All 105 counties in Kansas have an IMPLAN model and an agriculture, food, and food processing contribution summary. These values do not factor in the retail environment of food sales. Food retail is important, but in order to provide the most accurate picture of what production agricultural and processing contributes to Clay County, the retail sector was omitted.